VZCZCXRO8005 OO RUEHBI RUEHCI RUEHLH RUEHPW DE RUEHNE #9489/01 3501417 ZNY CCCCC ZZH O 161417Z DEC 05 FM AMEMBASSY NEW DELHI TO RUEHC/SECSTATE WACHDC IMMEDIATE 7558 INFO RUEHBJ/AMEMBASSY BEIJING 9270 RUEHLM/AMEMBASSY COLOMBO 2386 RUEHKA/AMEMBASSY DHAKA 2405 RUEHIL/AMEMBASSY ISLAMABAD 5230 RUEHBUL/AMEMBASSY KABUL 2129 RUEHKT/AMEMBASSY KATHMANDU 3042 RUEHLO/AMEMBASSY LONDON 7388 RUEHMO/AMEMBASSY MOSCOW 5760 RUEHKO/AMEMBASSY TOKYO 2480 RUEHCI/AMCONSUL CALCUTTA 0339 RUEHCG/AMCONSUL CHENNAI 9977 RUEHKP/AMCONSUL KARACHI 1285 RUEHLH/AMCONSUL LAHORE 1843 RUEHBI/AMCONSUL MUMBAI 9248 RUEHPW/AMCONSUL PESHAWAR 2536 RHEHNSC/NSC WASHDC RUEIDN/DNI WASHINGTON DC RHHMUNA/CDR USPACOM HONOLULU HI RUCNDT/USMISSION USUN NEW YORK 8136 RHMFISS/HQ USCENTCOM MACDILL AFB FL RUEHGV/USMISSION GENEVA 0248 RHHMUNA/HQ USPACOM HONOLULU HI RHMFISS/HQ USSOCOM MACDILL AFB FL RUEKJCS/JOINT STAFF WASHDC

C O N F I D E N T I A L SECTION 01 OF 02 NEW DELHI 009489

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E.O. 12958: DECL: 12/16/2015
TAGS: PREL KNNP ENRG ETTC IN

SUBJECT: NARAYANAN BULLISH ON INDIA'S CIVIL NUCLEAR

SEPARATION PLAN

Classified By: Amb. David Mulford for Reasons 1.4 (B, D)

(C) Summary: On the eve of FS Saran's departure for the December 21 Civil Nuclear Working Group meeting in Washington, NSA MK Narayanan told the Ambassador that Saran is bringing India's finished plan for civil/military nuclear separation in the hope that Congress will pass the required legislation in time for President Bush's upcoming visit to New Delhi. Narayanan, who crafted the plan, swore that the GOI had "pulled out all the stops," noting "if this plan doesn't satisfy, then I don't know what will." He noted his earlier discussions on the topic of "voluntary safeguards, and argued that both sides would need to climb down a bit to find a middle ground. He implied that the GOI had settled on a position regarding safeguards "in perpetuity" that he expected to be acceptable. Narayanan was anxious about Senator Lugar's views on the agreement, but was generally optimistic that this plan would lead to progress on the civil-nuclear initiative. When asked about the Proliferation Security Initiative, Narayanan responded that moving ahead on initiatives of that sort would depend on the outcome of the civil nuclear agreement. End Summary.

GOI "Pulled Out All the Stops"

12. (C) In a December 17 meeting, National Security Advisor MK Narayanan was hopeful that India's plan for civil and military nuclear separation would be well received in the next Civil Nuclear Working Group meeting in Washington. Narayanan commented that Foreign Secretary Saran would present a "credible, transparent and implementable" plan for separation which could pave the way for the Administration to introduce legislation that he hoped Congress would pass before President Bush's visit in 2006. Noting that the GOI

had "pulled out all the stops," he suggested that Saran's plan is the best that India can offer.

13. (C) Asked whether he predicted any sticking points in the agreement, Narayanan added that the only potential area for disagreement is the question of "non-voluntary safeguards" and safeguards in perpetuity. However, he observed that Saran and Burns should be able to "iron out any differences in a few meetings." The GOI plan goes so far, he continued, that "we are putting something on the table that the Indian nuclear community will not be happy about." Narayanan was anxious about Senator Lugar's views on the civil nuclear agreement, but observed that as long as Congress does not ask for additional conditions, he was confident that India could deliver.

## PSI Linked to Civil Nuclear Deal

14. (C) When pressed on the possibility of joining PSI, Narayanan responded that India's decision would depend on the outcome of the civil nuclear agreement. The GOI has invested so much in this initiative, he pointed out, that "negative vibes" may emerge if it does not go through. He stressed that the US-India relationship is so much bigger than just civil nuclear cooperation, but commented that since both sides had "gone out on a limb" on this matter, "the most important thing is to do what it takes to implement the agreement."

Comment: GOI Hoping for a POTUS Civil Nuclear Deliverable NEW DELHI 00009489 002 OF 002

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15. (C) Narayanan repeatedly stressed that Saran was taking a credible and complete plan to Washington and is expecting to close the deal. When asked about GOI thoughts on President Bush's upcoming visit, Narayanan listed the civil nuclear agreement as the number one priority — and interestingly did not even raise the question of UNSC permanent membership. Although he is apprehensive about the reaction within the US Congress, he appeared genuinely confident that India had carried out its end of the separation bargain.